

Wisconsin State Legislature

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ROBIN VOS

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Joint Committee on Finance *100TH ANNIVERSARY 1911 - 2011*

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Alberta Darling
Representative Robin Vos

Date: January 28, 2011

Re: s. 16.515/16.505(2), Stats. Request

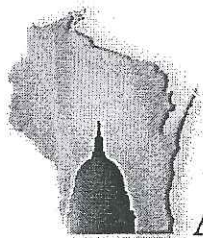
Attached is a copy of a request from the Department of Administration, received January 28, 2011, pursuant to s. 16.515/16.505(2), Stats., on behalf of the Government Accountability Board.

Please review the material and notify **Senator Darling** or **Representative Vos** no later than **Wednesday, February 16, 2011**, if you have any concerns about the request or if you would like the Committee to meet formally to consider it.

Also, please contact us if you need further information.

Attachments

AD:RV:jm



**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

SCOTT WALKER
GOVERNOR

MIKE HUEBSCH
SECRETARY

Division of Executive Budget and Finance
Post Office Box 7864
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Voice (608) 266-1736
Fax (608) 267-0372
TTY (608) 267-9629

Date: January 28, 2011

To: The Honorable Alberta Darling, Co-Chair
Joint Committee on Finance

The Honorable Robin Vos, Co-Chair
Joint Committee on Finance

From: Mike Huebsch, Secretary *MDH*
Department of Administration

Subject: s. 16.515/16.505(2) Request(s)

RECEIVED
JAN 28 2011

BY: *J. Finance*

Enclosed are request(s) that have been approved by this department under the authority granted in s. 16.515 and s. 16.505(2). The explanation for each request is included in the attached materials. Listed below is a summary of each item:

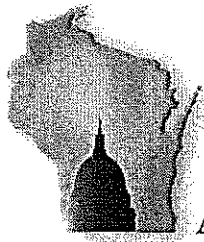
AGENCY	DESCRIPTION	2009-10		2010-11	
		AMOUNT	FTE	AMOUNT	FTE
GAB 20.511(1)(im)	Lobbying administration; program revenue	0	0.00	\$94,720*	0

*\$59,200 one-time expenditure authority.

As provided in s. 16.515, the request(s) will be approved on February 18, 2011, unless we are notified prior to that time that the Joint Committee on Finance wishes to meet in formal session about any of the requests.

Please contact Linda Nelson at 266-3330, or the analyst who reviewed the request in the Division of Executive Budget and Finance, if you have any additional questions.

Attachments



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Date: January 18, 2011

To: Michael Huebsch, Secretary
Department of Administration

From: Caitlin Morgan Frederick

Subject: Request Under s. 16.515 From Government Accountability Board (GAB) For Increase in Expenditure Authority to Upgrade the Agency's Lobbying System

REQUEST:

The GAB requests an increase in expenditure authority in the amount of \$94,720 PR for fiscal year 2010-11 for completion of the upgrade to the Board's lobbying database and website.

REVENUE SOURCES FOR APPROPRIATION(S):

This project is being funded by the appropriation under s. 20.511(1)(im), Lobbying Administration and is funded by fees collected by organizations registering with the Board to lobby. Under 2009 Wisconsin Act 28, the Legislature provided funding to upgrade the Board's lobbying database and website by increasing lobbying licensing fees for the period January 1, 2011 to December 31, 2014.

BACKGROUND:

In March of 2010, upon approval by the Joint Committee on Finance, the Board entered into an agreement with the Division of Enterprise Technology (DET) in the Department of Administration to build the new application. The critical phases of the new application will be complete in January 2011 with full implementation completed in August 2011.

DET has requested an amendment to its original agreement with the Board to add an additional \$94,720 in costs, which includes \$59,200 in project development costs and \$35,520 for hosting and support. DET has indicated that the project development costs were more complex than originally projected and the hosting and maintenance cost increases are due to system-wide increases instituted by DET to fully recover its costs.

The current expenditure authority under this appropriation is \$74,600 and the Board has indicated that it has sufficient revenues to cover the costs to complete the project. The total cost of the project, included the amount requested by the Board, is within the original cost estimates for the project.

ANALYSIS:

The Board is responsible for lobbying administration and each individual or organization wishing to lobby before the Legislature must register using this system. Under the provisions of 2009 Wisconsin Act 28, lobbying fees were increased from \$250 to \$350 for individuals lobbying on behalf of one organization and from \$400 to \$650 to lobby on the behalf of multiple organizations. The increased fees were designed to support the development of the lobbying application and will sunset back to the original levels in 2015.

The Board estimates that the increased fees will generate \$108,300 per legislative session until the rates are reduced. Currently the fund into which the revenues are deposited has a balance of approximately \$675,000 which is sufficient to fund the project's completion.

The Board indicated in their request that \$59,200 of funding is required to complete the project development and the \$35,520 is for hosting. As a result only a portion of the requested \$94,720 should be considered ongoing funding, which is the share required for hosting and support

Completion of this project will permit the Board to maintain appropriate records on lobbyist registration and ensure transparency in government.

RECOMMENDATION:

Modify the request to approve \$59,200 in one time funding and \$35,520 in ongoing funding.

State of Wisconsin \ Government Accountability Board

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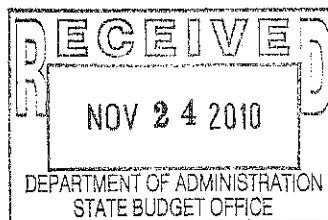
KEVIN J. KENNEDY
Director and General Counsel

DATE: November 24, 2010

TO: David P. Schmiedicke
Director, State Budget Office
Department of Administration

FROM: Kevin J. Kennedy
Director and General Counsel
Government Accountability Board

SUBJECT: 16.515 Request for Increase in Expenditure Authority to Upgrade the Agency's
Lobbying System



Request

The Government Accountability Board requests an increase in expenditure authority in the amount of \$94,720 for FY-11 in our PR appropriation 20.511 (1) (im), supplies and services line. The expenditure authority will enable the agency to complete our current IT project to upgrade our lobbying database and web site. The agency contemplates that the project will be completed in late summer 2011. Maintenance and hosting costs will continue after that date.

Revenue Source

The revenue to support the increase in expenditure authority in the second half of FY-11 and thereafter comes from an increase in lobbying license fees that will take effect beginning January 1, 2011. The agency estimates that the increased fees will generate \$108,300 in each of the next two legislative sessions. The Legislature created the fee increase specifically to fund this project.

Background and Analysis

In 2009 Wis Act 28, the biennial budget, the legislature provided funding to upgrade the Board's lobbying database and web site by increasing lobbying license fees beginning January 1, 2011, and ending December 31, 2014. The Legislature also created §13.685 (8), *Wisconsin Statutes*, which provides:

13.685 (8) The board shall not enter into any contract for the purpose of upgrading the board's lobbying database and Internet site unless the board first submits the proposed contract to the co-chairpersons of the joint committee on finance for review of the committee. If the co-chairpersons of the committee do not notify the board that the committee has scheduled a meeting for the purpose of reviewing the proposed contract within 14 working days after the date of the board's submittal, the board may enter into the contract as proposed. If, within 14 working days after the date of the board's submittal, the co-chairpersons of the

committee notify the board that the committee has scheduled a meeting for the purpose of reviewing the proposed contract, the board shall not enter into the contract unless the committee approves the proposed contract or modifies and approves the proposed contract. If the committee modifies and approves the proposed contract, the board may enter into the contract only as modified by the committee.

On February 16, 2010, the Government Accountability Board submitted a request to the Joint Committee on Finance asking for approval to enter into a proposed Statement of Work with the Division of Enterprise Technology (DET) in the Department of Administration to undertake the work of redeveloping the lobbying application and web site.

On March 10, 2010 the Joint Committee on Finance approved our request to proceed.

DET has now requested an amendment to the Statement of Work to add an additional \$94,720 in costs. DET has requested an additional \$59,200 for project development and an additional \$35,520 for hosting and support. DET has discovered that the scope of the project and complexity of the system was not properly understood in the initial estimate. Additional hosting and maintenance costs are due to system-wide increases instituted by DOA to fully recover its costs. The additional money will enable DET to complete and host the project.

The agency would like to enter into the proposed amended Statement of Work with DET as soon as possible. The projected timeline for completion is late summer of 2011. The current budget expenditure authority in our supplies and services line for FY11 is \$74,600 annually. This covers all current lobbying administration expenses. The increase will cover the design, development, implementation and ongoing support of the new lobbying system. Total cost of the project is within initial estimates before the project was bid out. Any questions about the project and the amended Statement of Work may be directed to Jonathan Becker at 267-0647.

If you need additional information about this request. I may be contacted at 261-8683 or at Kevin.kennedy@wi.gov. If I am not available, you may contact Sharrie Hauge at 266-0404. Thank you!

Attachment

cc: Jonathan Becker, Administrator
Ethics and Accountability Division

Sharrie L. Hauge
Chief Administrative Officer
Government Accountability Board

Caitlin M. Frederick
Budget Analyst
Department of Administration